

SECTION 10.37.(b) At least 30 days prior to the adoption of new or amended medical coverage policies necessitated by the reductions to the Medicaid program enacted in this act, the Department shall:

- (1) Publish the proposed new or amended medical coverage policies via the Medicaid Bulletin published on the Department's Web site, which shall include an invitation to readers to send written comments on the proposed new or amended policies to the Department's mailing address, including e-mail.
- (2) Notify via direct mail the members of the Physician Advisory Group (PAG) of the proposed policies.
- (3) Update the policies published on the Web site to reflect any changes made as a result of written comments received from the PAG and others.
- (4) Provide written notice to recipients about changes in policy.

SECTION 10.37.(c) The Department of Health and Human Services shall not implement any actions directed by this act if the Department determines that such actions would jeopardize the receipt of federal funds appropriated or allocated to the Department.

MEDICAID WAIVER FOR ASSISTED LIVING

SECTION 10.38.(a) The Department of Health and Human Services, Division of Medical Assistance (Division), shall develop and implement a home- and community-based services program under Medicaid State Plan 1915(i) authority in order to continue Medicaid funding of personal care services to individuals living in adult care homes. Providers who do not accept reimbursement for residents' personal care services through Medicaid or do not accept reimbursement through the State-County Special Assistance program shall not be subject to the provisions, requirements, or conditions of the Medicaid waiver pursuant to this section.

SECTION 10.38.(b) The Division shall implement the program upon approval of the application by the Centers for Medicare and Medicaid Services.

SECTION 10.38.(c) On or before April 1, 2012, the Division shall provide a report on the status of approval and implementation of the program to the Joint Legislative Commission on Governmental Operations, the Senate Appropriations Committee on Health and Human Services, the House of Representatives Appropriations Subcommittee on Health and Human Services, and the Fiscal Research Division.

PROGRAM INTEGRITY

SECTION 10.39. In order to ensure all claims presented by a provider for payment by the Department of Health and Human Services meet the Department's medical necessity criteria and all other applicable Medicaid, Health Choice, or other federal or State documentation requirements, a provider may be required to undergo prepayment claims review by DHHS. Claims reviews conducted pursuant to this section shall be in accordance with the provisions of the Patient Protection and Affordable Care Act, P.L. 111-148, and any implementing regulations.

TRANSFER TO OFFICE OF ADMINISTRATIVE HEARINGS

SECTION 10.40. From funds available to the Department of Health and Human Services (Department) for the 2011-2012 fiscal year, the sum of one million dollars (\$1,000,000), and for the 2012-2013 fiscal year the sum of one million dollars (\$1,000,000), shall be transferred by the Department of Health and Human Services to the Office of Administrative Hearings (OAH). These funds shall be allocated by the OAH for mediation services provided for Medicaid applicant and recipient appeals and to contract for other services necessary to conduct the appeals process. OAH shall continue the Memorandum of Agreement (MOA) with the Department for mediation services provided for Medicaid recipient appeals and contracted services necessary to conduct the appeals process. The MOA will